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DEPARTMENT FOR NEA/ELA

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TAGS: PGOV KPAL ECON PTER SNAR EAID EAGR EG IS
SUBJECT: DEVELOPMENT ISSUES IN NORTH SINAI

REF: CAIRO 107

Classified By: Minister Counselor for Economic and Political Affairs William R. Stewart for reasons 1.4 (b) and (d).

1.(C) Summary: Embassy officials met with local political, business, and community leaders in the North Sinai Governorate on January 19-20. Our

2.(C) Norh Sinai Governor Mohammed Abd al-Fadil Shousha tod us that his top priority is economic development of the governorate and the creation

3.(C) Abu Harb stated that one of the biggest challenges is the lack of legitimate job opportunities. The lack of jobs causes people to look of the C) The central Sinai, including the area around the villages of al-Nakhl and Hassana, which is part of the North Sinai Governorate, is the a seconomic development of the North Sinai branch of the Egyptian Red Crescent, told us that central Sinai differs from the northern part (C) All the leaders agreed that focusing on the agricultural sector is the best way to expand the North Sinai economy and provide jobs. Gover (C) Both Dr. Kassas and Dr. Nasr see potential in organic farming because of the pristine nature of the local environment. They said many med (C) Governor Shousha stated that increasing the availability of water is the key to growing the local agriculture sector. According to the GC (SBU) Governor Shousha told us that the northeastern part of the peninsula did not need Nile water because there are water wells near Rafah a 10.(C) Some leaders noted that although Sinai is home to valuable raw materials and grows quality fruits and vegetables, most of these primary 11.(SBU) Most local leaders emphasized the need for governmental and non-governmental assistance to develop the region. Governor Shousha told u 12.(C) Gamal Selmy, a local National Democratic Party (NDP) councilman, said that while all Egyptian leaders declare the development of Sinai t 13.(C) All the leaders expressed their concern over the lack of peace in the region and the recent conflict in Gaza. They told us that the Gaza 14.(SBU) On a separate economic development topic, all the leaders ex